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*****PUBLIC VERSION*****

SCE Application

Results of Preferred Resources DG Solicitation

ORA Position: The CPUC should deny the SunEdison Power Purchase Agreements (PPAs) because they do not meet the CPUC's required RPS criteria, which shows they are: 1) not competitive; and 2) not needed to meet SCE's RPS requirements.

Background

- SCE requests approval of two 20-year PPAs with SunEdison for in front of the meter Photovoltaic (PV) totaling 2.167 MW:
 - ▶ Bell Tustin – 1.131 MW at [REDACTED]
 - ▶ Red Hill – 1.036 MW at [REDACTED]
- This CPUC's Scoping Memo requires the PPAs be reviewed under RPS criteria. [[Scoping Memo, p. 2](#)]
- SCE states "the primary goal of these contracts is to support offsetting local customer load growth consistent with the important objectives of the PRP." [SCE Rebuttal Testimony, p. 3.]
 - ▶ The Preferred Resources Pilot (PRP) is an SCE project to measure the impact of preferred resources on the grid for the L.A Basin.
- In the Long-Term Procurement Plan (LTPP) Track 4 Decision, the CPUC granted SCE an opportunity to request approval of the PRP.¹
 - ▶ SCE has not sought CPUC approval of its Preferred Resources Pilot.
 - ▶ SCE states it "is not seeking and does not require Commission authorization to conduct internal activities like the PRP." [[Reply to ORA Protest, p. 3.](#)]

(over)

¹ D.14-03-004, pp. 65-66: "As the [PRP] Pilot is not before us at this time, we cannot make any determination about its viability or ability to meet LCR needs in the LA Basin ... We intend to take a close look at the [PRP] Pilot when SCE files its application."

SunEdison PPAs Are Not Competitively Priced

SunEdison Contract Prices are More Expensive than Similar-Sized RPS Contracts

SCE RPS Projects Below 5 MWs [in MWh]

South Bear Creek Hydro (2014 RPS RFP)	Range of 16 FiT/ReMAT Contracts	Sonoma Co. Landfill (RAM 6)	Bell Tustin PPA (PRP DG RFO)	Red Hill PPA (PRP DG RFO)
██████	██████████	██████	██████	██████

- The SunEdison PPAs are comparable to offers received in SCE's Solar Photovoltaic Program (SPVP), which is located in the same general geographic location and seeks procurement of similar resources.
 - ▶ SCE's latest SPVP solicitation chose two projects with an average price of ████████.
 - ▶ The average price of the SunEdison PPAs is ████████.

The CPUC Granted SCE's Request to Terminate its SPVP Program Due to High Costs

- SCE sought to protect customers from unreasonably high costs for SPVP projects. [Pet. Mod. D.14-06-048, p. 4-5; D 16-06-044, p. 5; in A.08-03-015]
- The CPUC agreed with SCE's assertions of high cost:
 - ▶ "Additional breakthroughs in commercial solar rooftop prices appear unlikely in the near term given the results of the fifth [SPVP] solicitation." [D.16-06-044, FoF 6]
 - ▶ "In relation to other renewable procurement programs, SPVP projects are significantly more expensive than other potential procurement alternatives." [D. 16-06-044, FoF 7].

SunEdison PPAs are Not Needed to Meet RPS Requirements

SCE will Exceed its RPS Requirements without the SunEdison PPAs

SCE's RPS Procurement Position

	2014 Actual	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast
Annual RPS Requirement	21.7%	23.3%	25%	27.0%	29.0%	31.0%	33%
SCE's Annual Net RPS Position	██████	██████	██████	██████	██████	██████	██████